UNITED NATIONS

General Assembly

FORTY-EIGHTH SESSION

Official Records

FIFTH COMMITTEE
31st meeting
held on
Wednesday, 8 December 1993
at 3 p.m.
New York

SUMMARY RECORD OF THE 31st MEETING

Chairman: Mr. HADID (Algeria)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

CONTENTS

AGENDA ITEM 123: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1994-1995 (continued)

General debate (continued)

ORGANIZATION OF WORK

This record is subject to correction. Corrections should be sent under the signature of a member of the delegation concerned *within one week of the date of the publication* to the Chief of the Official Records Editing Section, room DC2-794, 2 United Nations Plaza, and incorporated in a copy of the record.

Corrections will be issued after the end of the session, in a separate corrigendum for each Committee.

Distr. GENERAL
A/C.5/48/SR.31
15 February 1994

ORIGINAL: ENGLISH

93-82912 (E)

The Committee was called to order at 3.30 p.m.

AGENDA ITEM 123: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1994-1995 (continued) (A/48/6, A/48/7, A/48/16 (Parts I and II) and A/48/32/Rev.1/Add.1; A/C.5/48/9 and Corr.1 and Add.1 and A/C.5/48/26)

General debate (continued)

1. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the first report of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) on the proposed programme budget for 1994-1995, said that the 1994-1995 initial estimates totalled $2,749,064,000, which was 1.7 per cent higher than the preliminary level of resources included in the outline approved by the General Assembly at its forty-seventh session. But compared with the 1992-1993 revised appropriations ($2,467,458,200) the initial estimates were 11.4 per cent higher, comprising 1 per cent, or $25.3 million, in resource growth, and 10.4 per cent, or $256.3 million, for inflation and currency exchange rate adjustments in 1993 to 1995. Extrabudgetary resources likely to be available in the coming biennium were currently estimated at $3,419,600,000. For 1992-1993, assessments on Member States for peace-keeping operations had reached $4,157,400,000 at the time of preparation of the ACABQ report.

2. For 1994-1995, 10,171 established and temporary posts were proposed, as against 10,103 for the current biennium. Thirty-nine upward and three downward reclassifications were proposed in the Professional category. The number of extrabudgetary posts was estimated at 5,200 for support services and substantive activities. In addition to those posts, the Secretariat would have considerable capacity in the form of temporary assistance for meetings, general temporary assistance and consultants.

3. ACABQ welcomed the simplified format of the budget document and requested that further refinement and improvement be made in future budget documents. The structure of the budget needed further review in order to establish criteria and rationalize the size of a number of the proposed appropriation sections with a view to maintaining a balance between managerial flexibility and legislative oversight and control. Furthermore, considerable streamlining was needed of programmes, subprogrammes and functions of a number of departments and other units, especially those established through the restructuring of the Secretariat, to eliminate duplication and overlapping.

4. The methodology used in the preparation of the estimates had been presented to the General Assembly at its forty-seventh session. The most obvious change was the elimination of the revalued base, the comparison before recosting the estimates and the calculation of growth. For the 1994-1995 estimates, real growth had been replaced by growth that was derived by comparing the proposed estimate including non-recurrent resources with the 1992-1993 revised appropriations including non-recurrent expenditure. If the General Assembly approved more non-recurrent expenditure for the coming biennium, the initial rate of growth of 1 per cent would be higher still.

(Mr. Mselle)

5. The Advisory Committee did not consider biennialization to be a major problem. It was a transitory phenomenon brought about by the considerable restructuring and redeployments that had been effected in the course of a biennium. There was an amount of $1.6 million added to the 1994-1995 estimate to cover the cost of transferring posts and other services from low to higher cost duty stations. Other than that, biennialization should not be too much of an issue in the debate on the estimates.

6. ACABQ had been forced to examine the 1994-1995 estimates under unusually difficult conditions. That had led to a report which was different from reports traditionally submitted by ACABQ on the Secretary-General's initial estimates. The report was shorter, most of the detailed observations on numerous aspects of the estimates had been omitted and Chapter II, which in the past had contained observations and recommendations on a section by section basis, had been presented in the form of parts of the budget estimates.

7. Apart from the effect of late submission of the estimates, the examination and the related recommendations of ACABQ had been affected by a number of other factors which were outlined briefly in Chapter I of its report.

8. ACABQ had noted that it was difficult to ascertain in some instances the extent to which the Secretariat had complied with legislative mandates or followed guidelines for the preparation of the estimates that the General Assembly had given in recent resolutions, including resolution 47/212. Where it was obvious that no legislative mandate existed for a proposal included in the estimate, ACABQ had not recommended acceptance of the estimates pending the receipt of guidance from the General Assembly on the matter.

9. In the Introduction to his estimates, the Secretary-General referred to forthcoming restructuring and to reviews and/or consultations under way on the distribution of functions. Some of the Secretariat changes affecting the proposed estimates had now been published in reports that ACABQ would examine shortly.

10. In that connection, it might be useful to recall that in its report A/47/7/Add.15 (para. 6), ACABQ had referred to the need for a clear statement of an overall restructuring plan and a time-frame for its implementation. In addition, the General Assembly had called, in its resolution 47/212, for a timetable, possibly in the context of the biennial proposed programme budget, for implementing major changes in the organization of the Secretariat. Unless changes were made in a planned and coordinated manner, morale and staff productivity would suffer and Member States would continue to encounter the sort of difficulties that they were experiencing in the examination of the estimates for 1994-1995.

11. ACABQ was recommending a reduction of $186,473,800 under the expenditure estimates, of which $10,394,900 was provisional. The reduction fell into five main groups.

(Mr. Mselle)

12. The first reduction, totalling $92,649,000, related to the rates of inflation and currency rates used in the initial estimates. There had been some criticism in the general debate of the inflation and exchange rates used in the initial estimates. There was nothing unusual in the procedure followed by the Secretary-General. Traditionally, the inflation and exchange rates used in preparing the initial estimates for the next biennium were those used for the revised appropriations for the current biennium. Accordingly, the Secretary-General had used the rates for the 1992-1993 revised appropriation.

13. Those rates had always been revised in December, before the General Assembly adopted the budget for the next biennium. Because of the timing of the submission of the first report of ACABQ in the current year and in order to facilitate quick action by the Fifth Committee on the estimates, ACABQ had decided to incorporate its recommendations on the revised rates of inflation and exchange rates in the recommendations that were now before the Fifth Committee.

14. On the basis of developments in 1993, ACABQ had concluded that the initial rates of inflation and exchange should be revised, thereby reducing the estimates by approximately $92.6 million gross or $81.2 million net. The schedules of rates of inflation and exchange rates by main duty stations that had been communicated to ACABQ were indicated in the table in paragraph 50. Should the downward trend in 1993 continue, further adjustments were possible. ACABQ considered that further savings were possible at those duty stations where high inflation led to an appreciation of the dollar in terms of local currency, a factor which was not always taken into account by the Secretariat when it prepared the dollar estimates of the duty station concerned.

15. Traditionally, new Professional posts had been costed at 50 per cent of the amount required for the biennium and all other existing Professional posts had been costed at 95 per cent on the assumption that, on average, 5 per cent of Professional posts would be vacant. However, ACABQ had been informed that the actual vacancy rate in 1993 was nearly 8 per cent. It had concluded, therefore, that an increase of the turnover (delayed recruitment) rate to 6 per cent would be justified. That would reduce the initial expenditure estimates by $13.2 million.

16. For a number of reasons explained in its report, ACABQ was recommending a reduction of $3 million from the estimates for travel. The Committee felt quite strongly that there was need for stricter control of the travel programme of the Organization and for a review of the level of such related expenditures as per diem and mission subsistence allowances. In that connection, it should be borne in mind that extrabudgetary activities involved considerable travel and often it was difficult to differentiate between such travel and travel related to regular budget activities, especially in units with sizeable programmes financed from extrabudgetary sources. ACABQ intended to revert to that subject in due course.

17. On the question of general operating expenditure, the Committee had queried the level of the estimates for equipment and the cycle for replacing furniture and other equipment. The Secretariat had been requested to review that area of

(Mr. Mselle)

expenditure and report to ACABQ in the manner the Committee had indicated in its report. In the meantime the Committee had recommended a reduction of $4.8 million in the estimates.

18. Table 1 of the ACABQ report indicated an amount of $79,434,100 for other reductions under the expenditure estimates. That was due to a number of recommendations in the report of the Committee. About half of the reductions under the heading "other" consisted of staff assessment to take account of the recommendations of the International Civil Service Commission (ICSC) regarding a revised scale of staff assessment.

19. As could be seen from the footnotes to table 1, a number of the reductions under "other" had been classified as provisional owing to the fact that some of the estimates might not have been based on firm legislative mandates. An example was the estimate of $3,604,900 for integrated offices. ACABQ felt that since the subject was being considered in the Second Committee, a statement of programme budget implications should be submitted by the Secretariat once a policy decision had been taken. Other amounts deleted provisionally related to proposals which, in the opinion of ACABQ, warranted a thorough review in the context of the special reports which the Secretary-General had submitted or would be submitting, for example, on the subject of telecommunications. The recommendation on the Department for Development Support and Management Services also fell into that category.

20. ACABQ had experienced considerable difficulty in attempting to examine the Secretary-General's requests for new posts and the reclassification of existing posts. According to the estimate, the Secretary-General was requesting a net addition to the staffing table of 68 posts, 41 Professional and 27 General Service posts.

21. The situation was, however, much more complicated and confusing. For example, annex III to the Introduction to the proposed programme budget (A/48/6 (Part I)) gave the figure of 119 for the number of new Professional posts, which had subsequently been corrected to 118. Then ACABQ had been told that the number was 122. That confusion was the result of numerous changes and movements that had taken place since the adoption of the initial appropriations for 1992-1993, including the restructuring of the Secretariat and the attendant redeployment of posts, and the freezing of vacant posts which had then been transferred to other sections or abolished. An accurate and consistent record of those movements had apparently not been kept.

22. Furthermore, the estimates of posts and other requirements had been subject to numerous changes and corrections. More often than not, reference to deletion of posts in a section actually meant the post had been transferred to another part of the Secretariat; reference to a new post in a section often meant the post had actually been redeployed into the section. It was often impossible to know by looking at additional posts in a section whether one was looking at additional posts in the overall staffing table or whether the addition was only in respect of that section.

(Mr. Mselle)

23. To compound the difficulty, there were several instances in which posts had been redeployed and then new ones requested to compensate for the redeployed posts. Similarly, higher-graded posts had been redeployed from a section where proposals were being made to reclassify lower-graded posts to the grade levels of the posts that had been redeployed.

24. Many of the proposed reclassifications could not be justified in terms of a change in the nature of the functions involved. ACABQ had therefore decided to deal with the reclassification of posts at a later date on the basis of a report by the Secretariat. The reasons for that decision were set out in chapter I of its report.

25. With respect to requests for new posts, the Committee's recommendations would be found in chapter II. The Committee had considered postponing those requests also but had decided against such a procedure. For the reasons stated in chapter I, ACABQ had also recommended that the recruitment freeze be lifted. It would be recalled that, in his statement to the Fifth Committee at its 24th meeting, the Secretary-General had informed the Committee of his intention to lift the freeze once the budget had been approved. ACABQ had also recommended that in order to avoid the situation that currently existed, the requirements of the financial regulations should be strictly adhered to with respect to transfer of posts and other resources between sections. If the current flexibility afforded by the financial regulations was inadequate, the Secretary-General could always make proposals in that regard.

26. The budgetary effect of the recommendations of ACABQ on new posts and proposed reclassification of posts had been shown in the column headed "other" in table 1. ACABQ had been informed that new posts had been costed at 95 per cent. While that approach simplified the methodology for calculating resource growth, it should not be used to determine the amount of resources to be assessed on Member States. ACABQ recommended that the traditional 50 per cent delayed recruitment factor be applied for the purpose of determining additional requirements for the biennium with a consequent reduction of the estimate by $5,443,400.

27. Table 1 included an adjustment of $6,591,200 under the expenditure estimates, reflecting a reduction in the reductions recommended by ACABQ. Since the initial estimates had been reduced following the recosting, the ACABQ recommendations had also to be reduced accordingly.

28. The ACABQ recommendations on the individual sections were contained in table 2 of its report. Should the footnotes to that table require further explanation, he would be glad to provide it. It should be noted that, so that its report could be issued before the end of the year, the Advisory Committee had in some cases used the technique of provisional deletion or provisional inclusion of estimates. Generally speaking table 1 contained provisional deletions, while table 2 contained provisional inclusions.

(Mr. Mselle)

29. Under section 4 resources were included provisionally for 10 posts which ACABQ intended to consider in the context of the separate report of the Secretary-General on the support account for peace-keeping operations (A/48/470). The entire biennialized base amount recommended for section 10 was provisional, pending a review of the reports of the Secretary-General on the integration of the Office for Project Services into the Department for Development Support and Management Services. The amount recommended for the International Trade Centre was provisional, pending the conclusion of discussions between the United Nations and GATT on the best arrangements for the financing of the Centre. An amount of $11.9 million for staff costs was included provisionally for section 21 (Human rights), pending the receipt of additional information requested by ACABQ. However, the Fifth Committee might wish to give further guidance on the matter.

30. Under section 25 (Administration and management), a provisional amount for the Internal Audit Division was included pending consideration of the report of the Secretary-General on the Office for Inspections and Investigations. An amount of $5 million was included for training. As indicated in the Foreword and Introduction to the proposed programme budget, the Secretary-General had placed considerable emphasis on training. The Advisory Committee was cognizant of the fact that the General Assembly had encouraged the Secretary-General to enhance training in the United Nations.

31. ACABQ believed there was a need for the Secretary-General to submit to it a report on a comprehensive training programme, together with cost estimates and recommendations concerning the method of financing. Such a report should relate the training programme to priority needs of the Organization and show how the expenditure was intended to enhance the operation and management of those sectors for which the training was being undertaken. The information given to ACABQ did not indicate how the proposed training would be geared to the priority needs of the Organization and to the elimination of managerial, leadership and other bottlenecks in the priority areas.

32. In examining the first report of ACABQ, he hoped delegations would bear in mind the tremendous pressure under which it had been prepared and the fact that the estimates should have been submitted to the Advisory Committee in April 1993. Owing to bad planning the General Assembly had been asked to approve the revised appropriations for 1992-1993 in May 1993. The timetable laid down in decisions of the General Assembly and in the financial regulations for the preparation of the budget and other documentation was a deliberate choice by the General Assembly to ensure and facilitate dialogue between the Secretary-General and Member States. When the timetable was not adhered to, ACABQ, CPC and, ultimately, Member States were placed at considerable disadvantage, giving rise to frustration, anger and suspicion.

33. If one considered that 17 December had been designated as the date for winding up the business of the Main Committees in 1993, the Fifth Committee had only nine days to consider a budget which normally took three months to review. In addition to the budget, there were estimates for 17 peace-keeping operations,

(Mr. Mselle)

involving expenditure in excess of the regular budget. Furthermore, a large number of reports with budgetary implications had yet to be examined by ACABQ.

34. The Secretary-General had requested ACABQ to rise to the challenge. The Advisory Committee had heeded that request and managed to report before the end of the year. It was his hope that the report now before the Fifth Committee, which reflected the Advisory Committee's best efforts and had been prepared under unusual circumstances, would assist Member States during the remaining few days to agree on a budget for the biennium 1994-1995.

35. Mr. ZAHID (Morocco) said that the restructuring of the Secretariat had resulted in delays in the submission of the proposed programme budget to the intergovernmental bodies concerned and to ACABQ. Despite those delays, the Fifth Committee hoped to be able to adopt the budget before the end of the year.

36. In response to the expansion of the Organization's activities, the Secretary-General was proposing a redeployment of resources as well a modest increase in them. He was also counting on enhanced efficiency through the introduction of new technologies and staff training to meet the new challenges.

37. While Morocco endorsed the three major objectives of the proposed programme budget, it noted that they formed only part of the set of priorities agreed upon by the General Assembly in resolution 45/253. As the Secretary-General himself had stated, economic and social development, on the one hand, and the maintenance of international peace and security, on the other, were so linked that it was no longer possible to establish priorities between them. The proposed programme budget, however, seemed to favour political issues and the maintenance of international peace and security in the allocation of resources. The sections which had benefited from an increase were overall policy-making, direction and coordination, political affairs, and human rights and humanitarian affairs. In regard to economic questions, the Secretary-General had indicated in Part One of the proposed programme budget that the resources freed by the restructuring of the economic and social sectors would be adequate to finance the implementation of new mandates and requests. His delegation hoped that that approach would, in fact, ensure the implementation of all the priority programmes, particularly those relating to Africa. During the section-by-section consideration of the proposed programme budget, his delegation would work to see that adequate resources were allocated to those programmes.

38. The additional resources allocated to the maintenance of peace, preventive diplomacy and peaceful settlement of disputes, the protection of human rights and humanitarian relief were broadly justified by the increase in United Nations activities in those fields. His delegation therefore supported the Secretary-General's proposals in that connection, but hoped that questions of economic development, would receive the same consideration.

39. The total amount requested for the biennium 1994-1995 represented real growth of 1 per cent over the revised estimates approved in May 1993. Since the rationalization of the Secretariat and the redeployment of resources had not been sufficient to finance the new mandates entrusted to the Organization, the

(Mr. Zahid, Morocco)

Secretary-General had been obliged to request a modest increase. The smaller amount included in the budget outline had never been intended as a ceiling. The increase should be considered in the light of the Organization's growing needs and those States which had originated most of its activities should provide it with the resources needed to carry them out.

40. His delegation supported the Secretary-General's proposals to enhance staff training and introduce new technologies in order to make the Organization more efficient and allow it to respond more effectively to the new challenges and upheavals in international relations.

41. The new budget format, particularly the summary in Part One, was an improvement. In regard to the various sections of the budget, his delegation shared the view of CPC that programme narratives should be more detailed and provide Member States with all the information needed for decision-making.

42. Mr. KHANAL (Nepal) said that the delay in the submission of the proposed programme budget and the consequent delay in the first report of ACABQ had pointed up the need to make the budget a clearer and more concise document, and also how much Member States and the Secretariat relied on the advice of ACABQ in discussing it. It might be necessary to think of giving ACABQ more resources as well as working out guidelines for simplifying the budget.

43. Nepal wholeheartedly endorsed the policy objectives outlined by the Secretary-General in his introductory statement. There was not enough emphasis, however, on the economic and social areas. There was also a need to define the functions of the new departments and their interrelationships. The Secretariat needed to explain further the rationale for transferring the Office for Project Services (OPS) from UNDP to the new Department for Development Support and Management Services. As his delegation understood it, the aim was to enable the Secretariat to provide services to strengthen national capacity-building and to implement projects in countries such as the least developed countries which lacked adequate national capacities. It further understood that those services would be supplied to all Member States which requested them. His delegation would appreciate a clear and specific response from the Secretariat in that regard.

44. The Secretary-General's "An Agenda for Peace" laid the foundation for strengthening the Organization's capacity for preventive diplomacy, peaceful settlement of disputes, peace-keeping and peace building. His delegation supported the budget proposals in that regard. In addition to their traditional role, peace-keeping operations currently included such activities as the monitoring of elections, the provision of humanitarian aid and relief and the promotion of economic reconstruction and development. His delegation therefore endorsed the proposal to strengthen the Department of Peace-keeping Operations at Headquarters. That was necessary not only to deal with the additional number of peace-keeping operations but also to devise means of minimizing the risks of fatalities in the field. Facilities for prompt decision-making were required at Headquarters, in consultation with the troop contributors and others involved in a particular situation. His delegation trusted that, in strengthening the

(Mr. Khanal, Nepal)

Department, due consideration would be given to qualified personnel from the troop-contributing countries.

45. His delegation welcomed the Secretary-General's efforts to improve the Organization's efficiency and effectiveness through the establishment of the Office for Inspections and Investigations, the installation of the Integrated Management Information System and the added emphasis on training. While the concept of a "zero growth" budget did not necessarily restrict new or expanded activities or abolish useful ongoing activities, the Secretary-General's proposal for 1 per cent real growth, based on the additional activities and legislative mandates referred to in his statement, merited favourable consideration. At the same time, the Secretariat must provide reasonable justification for the proposed increases during the section-by-section discussion of the programme budget. His delegation agreed with the many delegations which had questioned the methods and reliability of the recosting exercise in general, and its relevance to offices outside New York in particular.

46. United Nations staff who volunteered to serve in peace-keeping operations were to be commended. However, the use of existing staff members for mission assignments could have a detrimental effect on the efficiency and effectiveness of headquarters units. In view of the need for better vacancy management and the burden placed on colleagues who remained behind at the various United Nations offices, thought should be given to using the services of retired international civil servants and national officials for emergency peace-keeping operations. Based on the nature of the expertise required in the various peace-keeping operations, troop-contributing countries and other interested States might be helped to set up and operate civilian training camps in addition to military training centres for peace-keeping operations. The idea of a stand-by force for peace-keeping operations could be extended to a stand-by pool of civilian personnel.

47. Mr. PANEV (Former Yugoslav Republic of Macedonia) said that the small countries, unable to play a decisive role in the world order by themselves, were more attached than ever to the United Nations as a multilateral forum in which their voice could be heard and their needs met. They were therefore ready to see the Organization strengthened as a hope for preserving their peace and security as well as their economic development.

48. By meeting the priorities set out in the medium-term plan for the period 1992-1997 as approved by the General Assembly, the Organization was working to establish a more stable world order. However, the proposed programme budget for the biennium 1994-1995 laid more stress on some of those priorities than others. His delegation believed that all the areas in which the involvement of the United Nations was necessary should be given equal attention. Budgetary constraints should not prevent the Organization from fulfilling its task.

49. His delegation regarded the modest proposed increase of 1 per cent as justified and necessary. It supported the policy of restructuring and streamlining the Organization and strengthening its basic functions in the

(Mr. Panev, former Yugoslav Republic of Macedonia)

political field, the economic and social sectors, and administration and management. It attached particular importance to strengthening activities in preventive diplomacy, peace-keeping, peacemaking and peace building. The expanded responsibilities of the United Nations in those areas justified the Secretary-General's efforts to strengthen the Department of Peace-keeping Operations, in particular its senior management structure. United Nations activities in regard to peace-keeping, economic and social development, humanitarian affairs and human rights all deserved more resources.

50. The initiatives taken by the Secretary-General to restructure the Secretariat in order to enhance efficiency should be given full support. There had already been a reduction of some 25 per cent in high-level posts, but the number of clerical and administrative posts also needed to be reviewed. The call for austerity by some Member States was justified and cuts in operations should be envisaged, but not in the programme areas that had been recognized as priorities by the General Assembly. The Secretariat should work more closely with Member States in order to identify areas in which possible savings could be made.

51. It was of the utmost importance to the Organization that the proposed programme budget should be approved before the end of the year. That would enable it to enter the biennium on a sound financial basis and to discontinue a number of temporary expedients.

52. Mr. DESSIE (Ethiopia) said that his delegation endorsed the statement that had been made by the representative of Colombia on behalf of the Group of 77 and China. It regarded the increase in the proposed programme budget as justifiable in the light of the expanded activities of the United Nations and the demands placed upon it. However, increased commitments must not be at the expense of the priorities set out in General Assembly resolutions 45/253 and 47/212. Peace-keeping, human rights and humanitarian issues were currently being given priority. However, many essential social and economic tasks also needed adequate attention. The link between development and international stability and security had been mentioned by many speakers. His delegation shared the view that it was essential to maintain a rational balance in programmes and budget allocations in order to reflect that fundamental truth.

53. The economic recovery and development of Africa and environmental conservation had both been defined as essential priorities. The important activities of the Economic Commission for Africa were hampered by severe financial constraints. Ethiopia was in favour of increasing the resources allocated to section 15 of the proposed programme budget.

54. The redeployment of posts and resources within the context of the broader restructuring of the United Nations could constitute a profitable approach if it resulted in significant improvements in efficiency and better delivery of programmes. However the implications needed further careful study. In his report on the construction of additional conference facilities at Addis Ababa and Bangkok (A/C.5/48/30) the Secretary-General outlined important developments

(Mr. Dessie, Ethiopia)

in regard to construction at Addis Ababa. His delegation was pleased to note that the project was to be continued according to a new timetable. It trusted that, with the improved situation, the project would be successfully completed. Ethiopia as host country would maintain its full commitment to that end.

55. His delegation looked forward to the unanimous adoption of the proposed programme budget before the conclusion of the forty-eighth session.

56. Mr. MARKER (Pakistan) said that his delegation endorsed the views expressed by the representative of Colombia in his statement on behalf of the Group of 77 and China.

57. The new format of the budget was a considerable improvement and should contribute to the further refinement of the preparatory process. However, certain fundamental principles should be maintained. The process should be in accordance with specific intergovernmental mandates and in full conformity with the objectives of the Charter. The proposed programme budget for the biennium fell short of reflecting the priorities set by the General Assembly. It was essential that agreed priorities should not be changed and specific areas not be overemphasized at the expense of others that were of considerable concern to the majority of Member States. Pakistan supported the CPC recommendations regarding the broad priorities approved in the medium-term plan for the period 1992-1997.

58. The Secretary-General must be given sufficient resources to carry out the mandates entrusted to him. Real growth of 1 per cent was the minimum required to meet the additional demands on the Organization. At the same time, budgetary discipline should be fully observed and resources utilized in the most economical and efficient manner.

59. The prioritization of programmes and the allocation of resources must be in accordance with the decisions of the General Assembly. Clearly, the new demands on the United Nations meant that its capacity in the field of preventive diplomacy, the peaceful settlement of disputes, peace-keeping and peace building needed to be strengthened. The Secretary-General had made a convincing case for increasing the resources allocated to United Nations activities in the political field. Nevertheless, the expansion of peace-keeping and related activities should not be at the expense of the social and economic sectors, where the role of the United Nations was essential to the developing countries. While there was undoubtedly a need for restructuring and reform in the various economic and social sectors, the savings that resulted must be channelled back to the sector in which they had accrued instead of being diverted to cover the Organization's expenses in other areas.

60. The creation of the three new departments in the economic and social field would help to bring about system-wide coordination and policy guidance, enhance research and analysis of important global economic and social issues and expand technical cooperation activities in the developing world. However, coordination between the new departments, and a clear delineation of their responsibilities as well as an effective relationship between them and the various agencies and funds of the system, was essential to achieve the aims in view. The overall

(Mr. Marker, Pakistan)

objective must be to make the United Nations system more relevant to the needs of Member States. In that context, the Secretary-General's proposal to expand the analytical capacity of the Department for Economic and Social Information and Policy Analysis should be favourably considered.

61. His delegation was concerned that the immediate future of the Office for Project Services as a semi-autonomous, efficient and self-financing unit was not guaranteed in the proposed merger with the Department for Development Support and Management Services. The approach whereby the Department would focus on special groups of countries, such as the economies in transition or the least developed countries, was also a matter of concern and would be in disregard of the General Assembly's guidelines.

62. The Committee was still awaiting additional proposals by the Secretary-General on the decentralization of resources and activities from Headquarters to the field, including the regional commissions. Any measures proposed must take into account the criteria set out by the General Assembly in resolution 47/212 B in order to avoid diluting the impact of the United Nations in such crucial fields as natural resources and science and technology.

63. The Secretary-General had said that he intended to complete the current restructuring process by the Organization's fiftieth anniversary. His delegation agreed that the new structures should be given time to work and the staff be allowed to concentrate on the tasks assigned to it before any attempts were made to change them further. The Secretariat must be adequately staffed if the Organization was to cope with the increasing demands placed on it. The lifting of the freeze on recruitment would provide much needed relief for a staff which was already overburdened.

64. Mr. TAKASU (Controller) said that the difficult task of undertaking a full review of the proposed programme budget had been aggravated by the time constraints under which the Committee was working. He would respond to the general issues raised concerning the budget proposals and highlight some of their key aspects. Specific questions would be answered during consideration of the relevant budget section.

65. Since the revised estimates for 1992-1993 had not been adopted until May 1993, the Secretariat had had less time than usual to prepare the budget proposals, and CPC had not reviewed the programmatic aspects until October, when ACABQ had begun its own review. In future, the Secretariat would do its best to comply with the timetable for submission of the proposed programme budget.

66. The Secretary-General had made every effort to contain the proposals within the budget outline approved by the General Assembly. Because of the unanticipated increase in the workload, he had had to request more resources than envisaged in the outline. However, the outline should not be regarded as a limit on the budget proposals.

(Mr. Takasu)

67. As a result of the redeployment of human and financial resources, it had been possible to propose a real growth rate of only 1 per cent. The Secretariat knew that taxpayers' money must be used as efficiently as possible and had tried to accommodate the extra requirements through rationalization and redeployment. But it had proved impossible to meet the additional workload with the existing numbers of staff, and the Secretary-General had requested the modest net increase of 68 posts - 41 at the Professional and higher levels and 27 at the General Service level. However, the dynamic approach to the formulation of the budget proposals had produced 91 posts at the Professional and higher levels and 87 General Service posts through abolition of existing posts. The Secretary-General believed that the proposed programme budget would provide the basis for consolidating his restructuring efforts and for the Secretariat to meet the extra demands of Member States.

68. The Secretary-General had taken into account the priorities set out in the medium-term plan and relevant General Assembly resolutions, although those priorities, which were for the period 1992-1997, did not necessarily translate into increased resources in every biennium. The long-term nature of economic and social development should not detract from its urgency. The aim of the restructuring of the economic and social sectors had been to remedy the problem of fragmentation and provide better programme delivery. In the next biennium the United Nations was to convene six major conferences to advance the cause of development. The Commission on Sustainable Development and the Department for Policy Coordination and Sustainable Development had been established to deal with the follow-up to the United Nations Conference on Environment and Development (UNCED). The follow-up activities would be provided with the necessary resources.

69. Consistent with the priority attached to Africa, the Economic Commission for Africa (ECA) had been strengthened, and in section 8 of the programme budget (Department for Policy Coordination and Sustainable Development) the Secretariat proposed strengthening the Office of the Special Coordinator for Africa and the Least Developed Countries in connection with the System-wide Plan of Action for African Economic Recovery and Development. ECA had the largest share of resources under section 20 (Regular programme of technical cooperation), with an increase of $3 million. In section 11A the United Nations Conference on Trade and Development (UNCTAD) had a programme on the least developed countries, most of which were located in Africa.

70. The Secretariat was also mindful of the priority given to drug control. A system-wide action plan had been formulated and the International Drug Control Programme had been established. The Secretary-General proposed that the post of the Programme's Executive Director should become an established post. The Programme was financed mainly from extrabudgetary resources (about $190 million for the biennium).

71. Many of the reforms stemming from UNCTAD VIII had been reflected in the revisions of the medium-term plan and in the proposed programme budget.

(Mr. Takasu)

72. A number of delegations had commented on the recosting of the budget. The proposals contained a provision for inflation based on the latest available assumptions regarding cost increases in respect of non-salary-related items and on standard cost parameters. No provision was made for currency fluctuations because of their unpredictable nature. The rates of exchange used for converting expenditures in other currencies into dollars were the ones approved by the General Assembly on the basis of the first programme budget performance report for the previous biennium. The programme budget was recosted on three occasions on the basis of the latest rates of exchange and latest information about inflation and adjustments to standard costs: at the end of the session of the General Assembly; at the end of the first year of the biennium in the context of the first performance report; and in the context of the second performance report. That standard procedure had been confirmed by the General Assembly in resolution 41/213.

73. Under normal circumstances, therefore, the Secretary-General would have submitted a separate report to the Committee and ACABQ on the first proposed recosting in December 1993 and it would have been dealt with separately from the review of the budget proposals. At the current session the Advisory Committee had requested information about the rates of exchange and inflation figures as at the end of November 1993 and had then recommended a reduction of $92 million in the proposed programme budget. Some delegations had suggested that the Secretariat should not come back in December 1994 with a request for additional funds to cover overexpenditure of the appropriation and that it should absorb cost increases as far as possible. In fact, the 1994 performance report would not deal with expenditure but with the changes required as a result of shifts in exchange rates and inflation. The second performance report in December 1995 would deal with expenditure. Since assumptions about currency fluctuations and inflation might change during the implementation of a budget, it would not be fair to introduce a system whereby amounts underspent owing to lower inflation and a stronger dollar were returned to Member States, while overexpenditures caused by those same factors were not approved.

74. With regard to the absorption of cost increases, resolution 41/213 provided that, pending a solution of the issue, estimates arising from the impact of fluctuations in exchange rates and inflation should continue to be treated in accordance with established procedures, but that the Secretary-General should nevertheless try to absorb them without jeopardizing programme delivery and without prejudice to the use of the contingency fund. Having reviewed the Secretary-General's progress report on a reserve fund to cover requirements due to currency fluctuations and inflation and the related ACABQ report, the General Assembly had decided not to change the present system but to keep it under review.

75. By its nature, the United Nations budget was vulnerable to inflation and currency fluctuations. Inflation rates at many duty stations did not necessarily conform to a unified trend, and there was no perfect way of dealing with their unpredictability. Sometimes the fluctuations were so great that any savings which could be made were totally inadequate to meet them. The level of savings required to absorb the additional costs and the inability of the

(Mr. Takasu)

Organization to effect them at short notice would entail significant curtailment even of mandated activities or sizeable economy measures. The current system was still the least inconvenient way of dealing with the matter. The Secretariat had tried to make more realistic assumptions by adjusting high inflation rates in some duty stations which might be offset by currency depreciation.

76. One delegation had asked why the biennialization of the base for the Office of Conference Services, the Office of General Services, and the United Nations Office at Geneva showed large increases although the offices remained largely unchanged by the restructuring. Table 2 in the introduction to the draft programme budget setting out the totals for part VIII (Common support services) showed that the net result of combining the appropriations under former sections 32 and 33 with the appropriation under former section 31 and applying the necessary adjustments for biennialization was a reduction of about $13 million. The bulk of the decrease was due to the transfer of the Dag Hammarskjöld Library from the Department of Administration and Management to the Department of Public Information. The combined total of the three amounts was equivalent to the increase of $165 million.

77. The standard vacancy rate for posts at the Professional and higher levels was set at 5 per cent and had been applied across the board in order to fine-tune the estimates. Additional savings, as had been suggested in the Committee, could be factored into the budget by applying specific vacancy rates at some duty stations where the vacancy rates were higher than the norm. However, there could also be increased costs at duty stations where the vacancy rates were lower than 5 per cent. That approach had been taken selectively in the past by the Committee and ACABQ in the expectation that other factors would lead to overall savings in the final performance report which would offset increased requirements at duty stations where the vacancy rates were lower than 5 per cent.

78. Because of the emergency measures taken by the Secretary-General requests for additional staff had been met as far as possible through deployment, and the vacancy rate had been higher than in the previous bienniums. During 1992 the rates had fluctuated from 5.9 to 3.3 per cent for posts at the Professional and higher levels and from 5.6 to 2.3 per cent for General Service posts. In September 1993 the rates had been 7.6 and 1.6 per cent respectively. Those were global averages: the Professional vacancy rate ranged from 3.2 per cent in New York to over 15 per cent at some other duty stations. For 1994-1995 the Secretary-General hoped to end the recruitment freeze once his budget proposals had been approved. Increasing the budgeted turnover rate for Professional posts might prompt requests for additional resources in the first performance report. The movement of vacancy rates would therefore have to be monitored before the freeze was ended.

79. The Secretariat had tried to increase the transparency of the budget process by including in the initial proposals for each biennium as much as possible of the foreseeable requirements for the next biennium. Thus, in 1992

(Mr. Takasu)

the Secretary-General had proposed the inclusion of $28 million in the 1994-1995 budget outline for future preventive diplomacy and peacemaking missions. However, the General Assembly had not approved that provision. As a result, appropriations to meet additional requirements would have to be requested at the present session, and similar requirements might arise during 1994-1995.

80. Additional requirements might also arise from decisions of the General Assembly and the revised estimates submitted by the Secretary-General at the current session and during 1994-1995. Where possible, additional activities would be accommodated by reprogramming and redeployment. Any additional resources which were approved would be charged against the contingency fund for each biennium. For 1994-1995 the General Assembly had established the contingency fund at 0.75 per cent of the budget outline, i.e. $20 million. Activities of an extraordinary nature would be dealt with outside the contingency fund.

81. In resolution 46/187 the General Assembly had authorized the Secretary-General to enter into commitments in the biennium 1992-1993 to meet unforeseen and extraordinary expenses. Certain commitments did not require the prior concurrence of ACABQ but they were always reported to ACABQ and the General Assembly. It should be noted that the commitment authority of $3 million a year in respect of the maintenance of peace and security had proved insufficient to meet the sharp increase in the number of good offices and other missions. In the context of the present proposals the Committee would again have to approve a resolution on unforeseen and extraordinary expenses. The Secretariat would consult it concerning the levels of commitment authority.

82. Turning to questions of human resources, he said that, with regard to the classification of posts according to the Master standard of the International Civil Service Commission, when the classification findings of the Advisory Board for Budgeting and Finance and the Office of Human Resources Management were in disagreement, changes were required in the content of posts or conversely in the programme budget proposals.

83. There was no established ratio of Professional to General Service posts. For example, the Office of General Services had more General Service staff than other departments because of the nature of its work. Some delegations had argued that the Secretary-General was asking for too many General Service posts. In fact he was requesting only 27 net additional posts: 25 in the United Nations Office at Vienna, which was taking over a number of functions previously performed by the United Nations Industrial Development Organization; and 10 posts in the Economic and Social Commission for Asia and the Pacific required following the completion of the new conference facilities at Bangkok. The increasing use of computer technology had certainly yielded productivity gains in the Secretariat, but it was not easy to quantify those gains in terms of staff savings. In any event, it would be impossible to contain staffing levels without technological innovations.

84. There was no double budgeting of staff funded from the regular budget who were seconded to peace-keeping missions. For the duration of such secondment

(Mr. Takasu)

the staff member's salary and related costs were charged against the mission budget. However, temporary replacements could be hired and charged against the regular budget post in question.

85. Posts used for backstopping of peace-keeping operations could be financed from the regular budget, the peace-keeping support account, voluntary contributions, or a combination thereof. However, in view of the uncertainty of voluntary contributions they were usually charged to the regular budget and the support account. The posts financed from the regular budget were regarded as "core posts" since they provided continuity in the implementation of the peace-keeping programme. The proliferation of peace-keeping operations had led to an increase in the number of such posts. The determination of how many should be included in the regular budget was a largely pragmatic exercise which took into account the limit to the possible growth in the regular budget and its appropriate share of such backstopping expenses.

86. With regard to the budget format, the current grouping into parts and sections reflected the Secretariat's perception of a logical presentation. Sections 12A and 12B (United Nations Environment Programme and Habitat) were regarded as separate sections, and any transfer of resources between them would require the Advisory Committee's consent. The same applied to sections 11A and 11B and to sections 22A and 22B. The Advisory Committee had welcomed the new format and agreed that in future bienniums staff costs should be divided into two categories: costs related to posts and costs related to such items as temporary assistance.

87. In its report on the prototype of a new budget presentation (A/C.5/47/3), the Secretariat had indicated its intention to provide more comprehensive information on the extrabudgetary resources which it estimated would be available to supplement regular resources. Nevertheless, a number of practical difficulties remained. Extrabudgetary activities, for example, could not be programmed with the same precision as regular budget proposals, since they depended on the availability of voluntary contributions which could be difficult to project two or three years ahead. Also, the needs of recipients of technical assistance and the exact composition of estimated extrabudgetary expenditures could also be difficult to project. The Secretariat still intended, however, to improve the presentation of extrabudgetary resources in future programme budget proposals, including staff resources provided by Member States.

88. On the question of standards of staff travel, the Secretariat was mindful of the need to administer travel resources with due regard to economy. Standards of travel for staff had been established over the years after careful study and review. Consideration of the most recent reports submitted by the Secretary-General on the subject had been deferred by the General Assembly to a later date.

89. Responding to the request that, beginning in 1994, quarterly expenditure reports should be submitted to cover all types of expenditures from all sources of funds, he noted that financial regulation 111.4 stated that financial statements should be prepared annually, and at such other intervals as might be

(Mr. Takasu)

prescribed by the Controller. Unaudited interim financial statements were in fact prepared every six months and were made available to ACABQ and the Board of Auditors. The most recent of those statements, for the 18-month period ending 30 June 1993, could be made available to interested delegations upon request. Owing to staffing and other constraints, the Secretariat proposed to continue its biannual reporting.

90. The ultimate goal of the restructuring exercise was to make the Organization more efficient and effective, and to eliminate duplication, redundancy and waste. As a result of the restructuring carried out earlier in the year, three new economic and social departments had been created. The division of labour among them had been clearly explained to the General Assembly in earlier reports of the Secretary-General. Programmatic analyses of those changes would be submitted to the General Assembly in 1994. In an era when issues were increasingly interrelated, aspects of a number of questions in the economic and social sectors fell within the purview of more than one of the three new departments. The Secretary-General was acutely aware of the possibilities of duplication and overlap and attached high priority to the avoidance of such problems. As a result, monthly coordination meetings took place between the heads of the three departments, in addition to less formal arrangements at the working level. Moreover, the Secretary-General had recently decided that his Office would convene weekly meetings between the heads of the three departments.

91. Many questions had been asked about the activities of the former Office of the Director-General for International Economic Cooperation. Those activities, which included policy coordination, inter-agency coordination, and the New Agenda for Africa, had now been incorporated into the Department for Policy Coordination and Sustainable Development.

92. Turning to the organizational arrangements for transnational corporations and science and technology, he noted that the revised estimates on the restructuring adopted by the General Assembly had proposed the transfer of many of the activities undertaken by the former Centre for Science and Technology for Development and the United Nations Centre on Transnational Corporations in order to enhance the work of the United Nations on improved access by the developing countries to technology and on improved contributions by transnational corporations to development. A Division for Transnational Corporations, Technology and Investment had accordingly been established within UNCTAD. Moreover, the other activities of UNCTAD relating to foreign direct investment, privatization, entrepreneurship and competitiveness were to be redeployed to that Division. Those arrangements would eliminate duplication and create linkages that would enhance the quality of programme delivery.

93. On the subject of the International Trade Centre, he recalled that the General Assembly had retained a post in the budget at the assistant secretary-general level for the Executive Director of the Centre and had requested the Secretary-General to pursue consultations with the Director-General of GATT to ensure that the post would be promptly filled. The Secretary-General was undertaking a further review of the Centre's programme and administrative

(Mr. Takasu)

practices, the results of which would provide a solid new basis for finalizing the consultations with GATT and reaching an early decision.

94. With regard to Habitat, the Secretary-General had taken full account of the views expressed by the General Assembly and other intergovernmental bodies. He had also reviewed the previous year's experience of keeping UNEP and Habitat under a common direction. Accordingly, he now proposed to establish a regular budget post of Assistant Secretary-General in order to provide a separate senior management for Habitat, which would thus maintain its own separate identity. At the same time, new arrangements to put UNEP and Habitat under common executive direction would make it possible to derive maximum programmatic and administrative advantage. The appointment of the head of the United Nations Centre for Human Settlements would take place as soon as the General Assembly approved the proposal for a post at the assistant secretary-general level.

95. On the question of decentralization, the Secretary-General had reported in the proposed programme budget on the initial outcome of efforts to redeploy more resources from the regular programme for technical cooperation to the regional commissions. Unfortunately, in the area of natural resources and energy activities, the Secretariat had found it impossible to complete the inter-Secretariat review which involved Headquarters departments, as well as UNCTAD, UNEP and the regional commissions. It was therefore not in a position to submit a report to the General Assembly at its current session. As soon as it completed that review, it would report to the General Assembly, providing detailed programmatic justification.

96. Turning to the transfer of the Field Operations Division (FOD), he noted that FOD provided administrative support to peace-keeping operations, good offices missions and other special missions. That support encompassed the areas of logistics, communications, field personnel administration, travel, finance, budget, and electronic data processing services. The majority of the Division's activities were financed from the peace-keeping support account and it was therefore considered appropriate to integrate FOD into the Department of Peace-keeping Operations, since the Division played a key role at all stages of the conception, planning and deployment of new missions and handled residual functions in respect of completed missions.

97. As for the incorporation of the Office for Project Services (OPS) into the Department for Development Support and Management Services, major progress had been made and institutional and administrative arrangements completed, with full account having been taken of the concerns and views expressed by the Governing Council of UNDP, the General Assembly and ACABQ. The Secretariat wished to assure Member States and staff concerned that OPS would continue to enjoy its semi-autonomous, self-financing and efficient status within the United Nations. The management board of OPS felt strongly that the prolongation of the actual transfer would lead to an additional period of uncertainty which would have devastating effects both on the resources available to OPS from Member States and on the morale of staff concerned. The Secretariat had a duty to put an end to that uncertainty and it therefore appealed for the understanding and support of members of the Fifth Committee.

(Mr. Takasu)

98. On the question of United Nations centres, the Secretary-General was keenly aware of the importance of United Nations activities at Nairobi and Vienna. He proposed to keep under review the functioning and requirements of those offices in the context of his overall review of the United Nations global network.

99. Turning to the recommendations of ACABQ, he commended the Advisory Committee on its extraordinary efforts to complete and make available its report in such a short time. The report contained many valuable observations and recommendations as well as a number of requests for the Secretariat to submit additional reports for consideration by ACABQ at its resumed session in February 1994. Much as the Secretariat would like to comply with the request of ACABQ, realistically speaking, it might not be in a position to produce all of the reports requested within that time-frame.

100. The Secretary-General's proposed programme budget represented the minimum level of resources required to fulfil the expectations of Member States. Significant curtailment of the requirements would hamper the Secretariat's ability to discharge those responsibilities. He therefore wished to appeal for the understanding and support of members of the Fifth Committee with regard to the estimates in a number of areas, including the Department of Political Affairs and the Department of Humanitarian Affairs, in which ACABQ had recommended reductions.

101. If the Secretary-General's request for a net staffing increase of 68 additional posts was not approved, it would cause great difficulties for the Secretariat and would adversely affect the proper functioning of the Organization. The Secretariat was determined to eliminate existing staffing anomalies and to end as soon as possible the current recruitment freeze. It was also making every effort to place within the total staffing table all supernumerary staff performing indispensable tasks for whom there were no approved posts. Moreover, once the budget was approved, the Secretariat was determined to improve its financial and personnel management in order to ensure full accountability.

102. With regard to the Executive Office of the Secretary-General (EOSG), the major expansion in the role and activiti s of the organization had resulted in a corresponding increase in the demands placed on the Secretary-General. No duplication of functions, however, existed between EOSG and other offices. It was the Secretary-General's clear policy that substantive responsibility for activities in political affairs and peace-keeping should lie with the Department of Political Affairs and the Department of Peace-keeping Operations, respectively. EOSG provided direct support to the Secretary-General in relation to those activities which required his personal involvement. He wished to emphasize that all of the posts requested for the biennium 1994-1995 had been redeployed to EOSG during the biennium 1992-1993, with the exception of three Professional and two General Service posts. Consequently, the budget submission requested only five new posts. The recommendation of ACABQ in that regard would seriously hamper the smooth operation of EOSG.

(Mr. Takasu)

103. As to the fiftieth anniversary of the Organization's founding, the Secretary-General believed that that event constituted a major milestone to be marked not only by a celebration but also by a programme of serious reflection, education and communication. Its observance afforded a historic opportunity to inform and mobilize public opinion, enlarge the global constituency of the Organization and launch a renewed and reinforced United Nations into the twenty-first century. It was a celebration not for the Secretariat but rather for the international community as a whole. The decision to establish a small unit to function for a limited duration as the focal point for the coordination of global fiftieth anniversary activities had taken into account the views expressed by the Preparatory Committee established by the General Assembly. It would not be realistic, however, to expect the Secretariat to undertake without adequate resources a task which affected every Member State and every region. He recalled, in that context, that regular budget funds had been authorized for the commemoration of the Organization's twenty-fifth anniversary. The recommendation of ACABQ in that connection would thus seriously hamper the Secretariat's activities for the commemoration of the fiftieth anniversary.

104. Concern had been expressed that the United Nations interim offices would be expected to perform activities without legislative mandates. Other concerns related to the possible use of the interim offices for human rights monitoring and the extension of such activities to other United Nations field offices. When undertaking human rights, preventive diplomacy, or peace-keeping activities in individual countries in response to mandates by the General Assembly or the Security Council, the Secretary-General proposed to consult with the Government concerned in order to determine, with its consent, how such mandates could best be implemented. There was no intention that such activities should form part of the functions of the interim offices, except where specific mandates existed.

105. The experience to date with the interim offices had been positive. The Secretariat believed that the functions being carried out by those offices were consistent with legislative mandates, especially those calling for an integrated, unified, cost-effective and innovative approach to development cooperation and presence in new recipient countries, the strengthening of the resident coordinator system, and the development of a more integrated, multidisciplinary United Nations presence in the field. The Secretariat hoped that the Fifth Committee would revert to that issue at a later stage.

106. As to the Office of Conference Services, the recommendation of ACABQ to reinstate 19 positions in that Office without a corresponding increase of 19 posts in the total staffing table would be impossible to implement and would aggravate and extend the severity and duration of the current anomalies in the staffing situation.

107. With regard to the reclassification of posts, ACABQ had not recommended for approval at the current stage any of the 39 reclassifications of posts at the Professional and higher levels proposed by the Secretary-General. Many of those requests had been reviewed by the Classification Unit. The Secretariat was of the view that the postponement of approval was unfortunate and would further

aggravate anomalies in the staffing situation and adversely affect the motivation and morale of staff.

108. With regard to the recently established 24-hour Situation Room, he noted that the main beneficiaries would be peace-keeping operations overseas and other programmes under the regular budget. The Secretariat therefore urged the Committee to endorse its proposal that the Situation Room should be funded jointly from the peace-keeping support account and from regular budget resources.

109. At a time when every effort was being made to enhance efficiency and effectiveness and to promote economy, adequate resources for technological innovations must be seen as a sound investment. The proposed investment in a United Nations satellite network was expected to result in significant and tangible savings as well as enhanced security of operations for the Organization in the immediate future. The one-time capital cost and operational requirements for the system would be more than justified in view of the Organization's current expenditures on commercial telecommunications. It would also provide United Nations staff away from Headquarters with assurances of access to Headquarters.

110. For their part, the economic and social departments had tried to focus their resources on essential activities. Despite those efforts, certain important requests for the Department for Economic and Social Information and Policy Analysis (DESIPA) and the Department for Policy Coordination and Sustainable Development (DPCSD) had not been approved by ACABQ. For its part, the Department for Development Support and Management Services (DDSMS) had been allocated only a maintenance budget at the current stage. It should be noted that the responsibilities of DESIPA, in particular, were derived from resolutions of the General Assembly and Economic and Social Council, which had called for the continuation of existing activities as well as a number of new ones. The six posts recommended for suppression by ACABQ had been obtained through redeployment from the vacancy pool and included in the Secretary-General's revised estimates for 1992-1993, which had been approved by the General Assembly. While the Secretariat agreed that an evaluation of the cost-effectiveness and efficiency of the activities of DESIPA was indeed required, any interruption of the work currently being undertaken in response to General Assembly resolutions 46/199, 47/171 and 47/187 would be most unfortunate.

111. The Advisory Committee's proposed reduction of the resources for the general temporary assistance requested for DESIPA, for example, would seriously impair the Secretariat's ability to carry out its responsibilities just prior to and immediately after the 1994 International Conference on Population and Development.

112. On the subject of training, the Secretary-General strongly believed that, through the enhanced expertise provided by training, the Organization would benefit from improved performance by its staff. The Secretariat appreciated the support expressed by delegations for the training programme of the United

(Mr. Takasu)

Nations and welcomed the recommendation of ACABQ that the Secretary-General's request in that regard should be approved.

113. The Secretary-General attached great importance to accountability and good management. The weaknesses of the current systems of accountability, monitoring and evaluation were well known and would be addressed. Internal control and oversight were essential to ensuring efficient management and the detection of waste and abuse. In that connection, the establishment of the Office for Inspections and Investigations represented the implementation of the Secretary-General's commitment to ensure the highest standards of efficiency, competence and accountability.

114. He wished to conclude by thanking, on behalf of the Secretary-General, the members of the Fifth Committee for their fortitude and commitment in undertaking the full review of the proposed programme budget for the biennium 1994-1995 in order to permit its approval by the General Assembly before the end of the year. With the approval of the budget, the Organization could enter the forthcoming biennium on a sound financial basis. He wished to note, however, that in addition to an approved budget, a sound financial base required the prompt, full and unconditional payment of assessed contributions.

115. Ms. ROTHEISER (Austria) thanked the Controller for his comprehensive answers to the questions raised concerning the proposed programme budget for the biennium 1994-1995. She wished to recall, however, that her delegation had requested from the Secretariat information concerning the implementation of activities for the benefit of countries in transition. She looked forward to a response from the Secretariat at a later meeting.

ORGANIZATION OF WORK

116. The CHAIRMAN drew the Committee's attention to the new programme of work which had just been distributed. In order to rationalize the Committee's work, the Bureau proposed to group the various sections of the programme budget proposals into five clusters, each of which would require a single introductory statement by the Secretariat. Such an approach would save time and thereby permit the Committee to concentrate on negotiations in informal consultations. Where there was agreement, decisions would be adopted in first reading. Where there were divergent views, or where time did not permit, he hoped that the items concerned could be resolved in informal consultations.

117. Mrs. GOICOCHEA (Cuba) said that her delegation accepted the Chairman's proposal on the understanding that the Committee would not take decisions on matters on which there were differences of views concerning programmatic content or allocation of resources, particularly if the proposals concerned lacked legislative authority.

118. The CHAIRMAN said that he would take it that the Committee wished to proceed in accordance with the proposed programme of work.

119. It was so decided.

The meeting rose at 6.15 p.m.